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EXTRAORDINARY

PART II—Section 3—Sub-section (ii)

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MINISTRY OF FINANCE

(Department of Economic Affairs)

NOTIFICATION

New Delhi, the 29th November 1960

S.O. 2856.—In exercise of the powers conferred by sub-section (2) of section 45 of the Banking Companies Act, 1949, the Central Government hereby extends the period of moratorium granted by it in respect of the Prabhat Bank Ltd., Delhi, under the aforesaid sub-section up to and including the 8th day of January, 1961.

2. The Central Government hereby also directs that the Prabhat Bank Ltd., may, during the period of the moratorium granted to it, make payments in discharge of its liabilities and obligations to the extent and in the manner provided hereunder:—

- (i) the amounts of any drafts or pay orders issued by the said bank and remaining unpaid on the date on which the order of moratorium came into force;
- (ii) the amounts of the bills received for collection on or before the 7th October, 1960 and realised before, on, or after that date;
- (iii) all revenues, taxes, cesses and rates due from the said bank to the Central or to a State Government or to local authorities;
- (iv) rents for any buildings, godowns or other premises, provided that such payments shall not be in excess of the rates provided for in the relevant deeds of lease or contract, or other agreements, or in the absence of any such deeds or agreements the rates at which the payments were made before the date on which order of moratorium came into force;
- (v) charges on account of water supply and electricity including meter rent;
- (vi) all wages, salaries or other remuneration due to the employees who were in the service of the Bank on the 7th October, 1960, at the rates at which they would have ordinarily been payable;
- (vii) any expenditure which has necessarily to be incurred in connection with any suits filed or decrees obtained by the said bank or for realising any amounts due to it, provided that if any such expenditure is in excess of Rs. 250/-, the permission in writing of the Reserve Bank of India shall be obtained before it is incurred.

3. The Central Government hereby further directs that during the period of the moratorium the Prabhat Bank Ltd., Delhi, shall be permitted to operate its accounts with the Reserve Bank of India or with any other bank for the pur-

poses of making the payments aforesaid provided that nothing in this order shall be deemed to require the Reserve Bank of India or any other bank aforesaid to satisfy itself that the conditions imposed by this order are being observed before any amounts are released in favour of the Prabhat Bank Ltd.

4. The Central Government hereby further directs that the Prabhat Bank Ltd., may during the period of moratorium return any bills which have remained unrealised to the persons entitled to receive them on a request being made in this behalf by such persons, if the bank has no right or title to, or interest in, such bills.

5. The Central Government hereby also directs that the Prabhat Bank Ltd., may release or deliver goods or securities, which may be pledged, hypothecated or mortgaged or otherwise charged to it against any loan, cash credit or overdraft

- (i) in any case in which full payment towards all the amounts due from the borrower or borrowers, as the case may be, has been received by the bank, unconditionally; and
- (ii) in any other case, to such an extent as may be necessary or possible, without reducing the proportions of the margins on the said goods or securities below the stipulated proportions or the proportions which were maintained before the order of moratorium came into force, whichever may be higher.

[No. 4(100)-BC/60.]

A. BAKSI, Joint Secy.